## Exhibit 1

## UNITED STATES DISTRICT COURT

## **DISTRICT OF NEVADA**

LIBERTY MEDIA HOLDINGS, LLC	) Case No. 2:12-cv-00923-LRH -GWF
Plaintiff,	)
VS.	) )
SERGEJ LETYAGIN, d/b/a SUNPORNO.COM, IDEAL CONSULT,	) ) )
LTD., "ADVERT", "CASTA", "TRIKSTER", "WORKER", "LIKIS",	)
"TESTER" and DOES 1-50	)
Defendants	)
	_ )

## AFFIDAVIT OF SERGEJ LETYAGIN

Sergej Letyagin, being duly sword, does hereby depose and state:

- 1. My name is Sergej Letyagin. Unless otherwise stated, I make this affidavit of my own personal knowledge.
- 2. I am a full-time resident of the Czech Republic. I have never resided in (or visited) Nevada. Indeed, I have never resided in or visited the United States.
- 3. I have lived at my current address in the Czech Republic continuously for over three years and have not moved during that time.
- 4. Liberty Media Holding's counsel, Mr. Marc Randazza, has sent me mail at my home address in late 2011 pertaining to an identical lawsuit filed by him in Florida on behalf of the same plaintiffs and against the same defendants as are named in the present action. A copy of the letter than Mr. Randazza sent to my home is attached hereto as Exhibit 1. I have redacted

my address on the letter because I am concerned about my privacy in this case as it is likely to be widely publicized.

- 5. Since I received at my home address correspondence from Mr. Randazza regarding past litigation, I cannot understand why he would represent to the Court that my "actual whereabouts are unknown, and likely to change on a regular basis due to [my] criminal nature and criminal activities." This is untrue and highly offensive.
- 6. Ideal Consult, Ltd. ("Ideal") is a company headquartered in the Republic of Seychelles. I am the Director of Technology for Ideal. In this role, I am responsible for (among other things) the registration of Ideal's websites.
- 7. In late 2011, Mr. Randazza also sent by mail to Ideal's registered agent in Seychelles the complaint to the identical lawsuit filed by him in Florida as described above. As I understand it, this would suggest that Mr. Randazza knows how to properly serve Ideal and that Ideal is not just a "sham entity" or "merely [my] alter ego."
  - 8. I do not now (nor have I ever) owned SunPorno.com individually.
- 9. Ideal owns and operates SunPorno.com in addition to over a thousand other different websites, primarily offering adult entertainment.
- 10. Ideal does not maintain (and has never maintained) any servers within Nevada, has no employees in (and has never had any in) Nevada, does not advertise in (and has never advertised in) Nevada, owns no real estate in (and has never owned any real estate in) Nevada, pays no taxes in (and has never paid taxes in) Nevada, and has no bank accounts in (and has never had any bank accounts in) Nevada. Neither Ideal nor SunPorno.com are registered to do business in Nevada (nor have they ever been so registered).

- 11. Ideal does not own any servers in the United States. Ideal contracts with a third-party, Profitrade PLC, doing business as "AdvancedHosters," for the provision of servers.

  Profitrade is a corporation organized in the Commonwealth of Dominica and headquartered in the Commonwealth of Dominica. Ideal has no control over where its servers are located this decision is made entirely by Profitrade. Profitrade has informed Ideal that it Profitrade maintains servers in Holland and the United States and that the servers servicing the SunPorno.com website are located in Virginia and other locations outside the United States, but I stress that Ideal has not selected or requested these locations. In short, Ideal has entered into a contractual arrangement with a Dominican company to provide it server space. It has no such contractual arrangements with any entity located in Nevada or the United States.
- 12. Furthermore, Ideal does not advertise (and has not advertised) anywhere in the United States, owns no real estate (and has never owned any real estate) anywhere in the United States, pays no taxes (and has never paid taxes) anywhere in the United States, and has no bank accounts (and has never had any bank accounts) anywhere in the United States. Neither Ideal nor SunPorno.com are registered to do business anywhere in the United States (nor have they ever been so registered).
- 13. Although I presume that it goes without saying, *I* personally have no ties to Nevada or the United States in general. I do not maintain any servers in either, do not advertise in either, do not own real estate in either, and have no bank accounts in either.
- 14. Ideal first obtained the already-existing website, SunPorno.com, along with a number of other websites in July of 2011 from a previous owner.
- 15. When Ideal first obtained the SunPorno.com domain name, it was registered with the domain name registrar and privacy service Moniker which had been selected by

SunPorno.com's former owners. But in August of 2011, just about a month after it purchased SunPorno.com and in reviewing its business costs, Ideal decided that it could obtain domain registration and privacy services at a lower cost with EvoNames.

- 16. Starting in September 2011, Ideal began transferring its thousands of domain names, including SunPorno.com to EvoNames. The transfer of domain name registrars had nothing to do with any litigation and everything to do with Ideal's desire to reduce its registration and privacy services costs.
- 17. Currently, as is easily visible on its WhoIs record, SunPorno.com is registered with that same domain name registrar EvoNames, which is a subsidiary of EvoPlus Ltd and is not based in the United States. SunPorno.com uses only EvoNames for its registration and privacy services. EvoNames, under the name of "WhoisProtectService.net" has its registration contact addresses in the United Kingdom. The SunPorno.com domain name has been continuously registered with EvoNames and only EvoNames since late 2011.
- 18. I understand that Liberty Media suggests that the SunPorno.com website is available in the United States and that the "loss of the U.S. market would be devastating to it." To me this seems to be a simple fact applicable to *every* business in the entire world because it is uncontroversial that the United States is the biggest consumer of all types of goods and services on Earth. I believe that the loss of the U.S. market would be devastating even to coffee growers in Indonesia.
- 19. I also understand that Liberty Media suggests that SunPorno's use of English as its language on its website means that it is aimed at an American audience. I don't know how to respond to this except to say that it is a silly statement. English is an international language. The number of American visitors to SunPorno.com is a small percentage of the total visitors to

SunPorno. Therefore, assuming that Liberty Media is correct in stating that SunPorno.com uses the English language to target Americans, does that mean that SunPorno.com has selected a language so as to intentionally exclude the vast majority of its users? Again, the premise is silly.

- 20. Similarly, the allegation that the SunPorno website must be directed at American visitors because advertisements appeared on the site showing porn star Ron Jeremy (an American) is flat-out absurd. Putting aside the fact that ideal has no control over what advertisements appear on the SunPorno.com site (as discussed below), this would be like saying that an advertisement showing George Clooney could *only* be directed at the United States. Both Mr. Clooney and Mr. Jeremy are international film stars (admittedly for different kinds of films) and their appeal is not limited to any one country.
- 21. In any event, though, with respect to advertisements on SunPorno.com, Ideal has no control over which advertisements are displayed. Ideal contracts with three advertising network companies, ExoClick which is headquartered in Spain; Adxpansion, located in Canada; and Ero-Advertising, located in Holland. These three companies provide the actual advertisements displayed on the website; all Ideal does is provide banner advertising space on its site and the advertising network companies then selects the advertisements that are displayed when a person visits the website. This is the way that most advertising on the internet works.
- When Liberty Media says that the advertisements "clearly target Americans," it knows that it is not being completely honest with the Court. Like all advertising networks, ExoClick, Adxpansion, and Ero-Advertising gear their ads to the location of the user. Visitors in France are shown French ads and visitors in Germany are shown German ads. Again, this has nothing to do with Ideal. Ideal simply contracts with the (non-United States based) advertising companies to provide banner space on its websites.

- 23. I understand that Liberty Media's Complaint speaks about "premium memberships" on SunPorno.com. Liberty Media either misunderstands the way the website works or is not being forthcoming with the Court. Ideal does not itself offer any premium memberships. It has, on occasion, been approached by other companies who provide adult video memberships to enter into affiliate agreements with them. When Ideal has experimented with these affiliate arrangements, the affiliate company creates what is known as a "white label site," which means they put SunPorno's logo on a site which they create, own, and run. Currently, is not even offering such an option since there seemed to be little interest in it. Once a visitor clicked on the "premium membership" button, they were sent to a website which Ideal did not control and could not control. Again, this type of relationship is very common in the adult entertainment website industry and I must assume that Liberty Media is well aware that Ideal was not in control of the premium site or its terms and conditions.
- 24. Ideal's websites, including SunPorno, do not accept credit cards, nor has Ideal set up any credit card accounts with Visa, Mastercard or American Express to accept such payments.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

Signed under the pains and penalties of perjury this 1st day of July, 2012.

Sergej Letyagin, Director of Technology Ideal Consult, Ltd.